

CITY OF ASHEVILLE and ASHEVILLE REGIONAL HOUSING CONSORTIUM

HOME Investment Partnerships Program and Community Development Block Grant Program

APPLICATION FOR FUNDING for CONSTRUCTION PROJECTS

for grant year starting July 1, 2006

Application workshop:
December 8, 2005, City Hall 6th Floor - 10:00 a.m. – 12 noon

** Pre-application form to be submitted by all applicants by December 30, 2005 **

Which Form?

This form is to apply for CDBG **or** HOME funds for **construction projects**. There is a separate form for non-construction projects. If in doubt, please contact Community Development staff. Construction includes:

New housing construction
Housing rehabilitation
Commercial construction or rehabilitation
Construction or improvement of public facilities
Construction of public improvements

Land acquisition or site improvement preparatory to construction

CDBG or HOME?

This is not a simple question, since the programs do overlap. Here are some guidelines:

- CDBG assistance is limited to projects within the City of Asheville
- HOME funds may be used anywhere in the Consortium (Buncombe, Henderson, Madison, and Transylvania counties).
- Non-Housing projects CDBG only
- New housing construction HOME only (except for Community Based Development Organizations which may use CDBG for new housing construction in Asheville).

If in doubt, please contact City of Asheville staff. If the project is eligible for both sources of funding you must choose which one to apply for, as HOME and CDBG should not be requested for the same project.

Eligible Applicants

HOME applicants must be:

- Consortium member governments; or
- Non-profit agencies or for-profit corporations applying <u>through</u> a member government (outside Asheville: contact your member government for additional application requirements); <u>or</u>
- Non-profit Community Housing Development Organizations (CHDOs).

CDBG applicants must be:

 Non-profit agencies with a primary purpose of providing housing, human services or economic development services within the City of Asheville.

"Non-profit" means having a 501c(3) tax exemption notice from the IRS.

All applicants must demonstrate a track record of continuous, active, and relevant operation for at least two years.

Income Eligibility

In general, all projects must benefit persons with household income below 80% of area median income adjusted for family size (see table on Page V). Special conditions apply to HOME-assisted rental projects and to CDBG-assisted non-housing projects.

Grant Period

The funding period starts July 1, 2006. Costs incurred before that date cannot be reimbursed. It is expected that all projects will be completed and occupied by

December 2008 at the latest (June 2008 for owner-resident rehabilitation activities).

Pre-Application

<u>All</u> interested applicants must submit a pre-application form by Friday, <u>December 30, 2005</u>. Applications should be submitted to Brenda Griffith at the Asheville Community Development Division office – <u>bgriffith@ashevillenc.gov</u>.

Pre-Application Meeting

Applicants who have not previously received CDBG or HOME funding for the same, or a very similar, project must set up a meeting with CD Staff, before submitting their full application, to discuss program eligibility and other requirements. Otherwise, the project may not be accepted.

Special Conditions

Construction projects must comply with federal rules for: environmental review, "Davis Bacon" wage rates, real property acquisition, contract procurement, lead based paint, and (for large projects) HUD Section 3 economic opportunity. Because of these conditions, HOME and CDBG funds cannot be provided for construction projects that are scheduled to start **before** July 1, 2006. Please also note that the <u>intention</u> to use federal funds for a project triggers federal acquisition and relocation regulations affecting real estate purchase.

Invalid Applications

Applications may be rejected without evaluation for the following reasons:

- 1) Program not clearly eligible according to CDBG/HOME regulations.
- 2) Applicant has demonstrated poor past performance in carrying out CDBG- or HOME-funded programs, or complying with federal regulations.
- 3) Applicant fails to provide audited financial statements or other required information.

Project Evaluation & Funds Allocation

Applications will be evaluated by staff and assigned scores according to criteria based on the priorities in the Consolidated Strategic Plan, the feasibility of the project, and the capacity of the agency to carry it out. These scores will be used as a guide in allocating funds, but will not be the sole factor in determining whether a program will be funded or how much funding it will receive.

After this initial evaluation, CDBG applications will be reviewed by the City of Asheville's Housing and Community Development Committee and HOME applications by the Asheville Regional Housing Consortium Board. These bodies will present their allocation recommendations to the Asheville City Council in the form of a Consolidated Action Plan for the CDBG and HOME programs. In addition, the City will seek citizen input on the Plan through public hearings and written comments. The schedule is on the next page.

Applicants should understand that this is a competitive application process for limited funding. There will be applications for projects that satisfy many of the evaluation criteria but are not funded. Successful applications may be funded for less than the amount requested.

Schedule for CDBG & HOME Planning for 2006

2005	
November 15 (Tuesday)	Public Hearing for Henderson and Transylvania Counties
November 16 (Wednesday)	Public Hearing for Buncombe and Madison Counties
December 8 (Thursday) (10:00 – 12:00 Asheville City Hall, 6 th floor training room)	Training session for applicants. You are strongly advised to attend
December and January	1-on-1 Technical Assistance – required for new applicants
December 30 (Thursday)	Deadline to submit pre-application form
2006	
January 31 (Tuesday)	Deadline for applications
February	Staff review of applications
March 15 (Wednesday) (tentative)	HOME applicant interviews
March 13 – 22 (to be arranged)	CDBG applicant interviews
March 28 (Tuesday)	Draft Plan published for public comment
April 11 (Tuesday)	Asheville City Council: Public Hearing on draft plan
April 21 (Friday)	Deadline for citizen comments on draft plan
April 25 (Tuesday)	Asheville City Council approves Plan
May 12	Deadline for submitting Plan to HUD

Income Limits For Extremely Low, Very Low, and Low Income Households

(Based on HUD data on area median family income for FY 2005. We expect to receive revised limits for 2006 early next year)

County	Category	% AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Buncombe & Madison (incl.	Extremely Low Income	<30%	10,450	11,950	13,400	14,900	16,100	17,300	18,500	19,700
City of Asheville)	Very Low Income	31-50%	17,400	19,900	22,350	24,850	26,850	28,850	30,800	32,800
	Low Income	51-80%	27,850	31800	35,750	39,750	42,950	46,100	49,300	52,500

AMI = Area Median Family Income

County	Category	% AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Henderson	Extremely Low Income	<30%	11,100	12,650	14,250	15,850	17,100	18,350	19,650	20,900
	Very Low Income	31-50%	18,500	21,100	23,750	26,400	28,500	30,600	32,750	34,850
	Low Income	51-80%	29,550	33,800	38,000	42,250	45,600	49,000	52,400	55,750

County	Category	% AMI	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Transylvania	Extremely Low Income	<30%	10,750	12,300	13,800	15,350	16,600	17,800	19,050	20,300
	Very Low Income	31-50%	17,900	20,500	23,050	25,600	27,650	29,700	31,750	33,800
	Low Income	51-80%	28,650	32,750	36,850	40,950	44,250	47,500	50,800	54,050

Client Income eligibility: HOME- and CDBG-assisted programs must serve low income clients (less than 80% of AMI). For HOME rental programs lower income limits apply. For all HOME programs and for CDBG programs providing direct financial benefits, all clients must meet income eligibility limits. For other CDBG programs at least 51% of clients must meet income limits. Certain categories of CDBG clients e.g. the homeless, may be presumed to meet income limits. If you are not sure about your program's eligibility, please call CD staff.

Client Income Tracking: As well as ensuring client eligibility, HUD requires us to report the numbers of clients served in each of the income groups listed above.

DETAILED APPLICATION INSTRUCTIONS

- <u>All</u> applicants must submit a pre-application form by <u>Friday</u>, <u>December 30, 2005</u>. Applicants who have not previously received CDBG or HOME funding for the same or a very similar project must set up a meeting with CD staff in December or January, before submitting their full application.
- Submit original and <u>four</u> copies of **full application** by 5:00 PM on <u>Tuesday</u>, <u>Jan. 31</u>, <u>2006</u>.
- Forms may be submitted by hand at Asheville City Hall, Fifth Floor, or by mail to:
 City of Asheville
 Community Development Division
 Post Office Box 7148
 Asheville NC 28802-7148
- Electronic submission is acceptable for the pre-application form, but <u>not</u> for the full application form.
- Please complete each question <u>directly</u> on the application form. Attachments should only be used to provide supplemental information. The application form may be completed manually or reproduced in your word processor system (recommended). The application form can be downloaded from the City website at http://www.ashevillenc.gov/planning/cdbg.htm
- Applications should be fastened with a paper clip or other fastening that can easily be undone for copying. Please do not use binders, covers, or staples.
- Applications should start at Page 1 (Application Information). Do not include a cover letter or the instruction pages; any covers will be discarded.
- The <u>required</u> attachments listed on Page 2 should be <u>attached at the back</u> of the original application in the order listed. If lengthy, they may be omitted from the copies.
- Additional printed documentation, photographs and maps may be placed <u>immediately</u> behind the page they refer to. They should be included in all four copies.
- Narrative responses should be 1½-spaced in a typeface no smaller than 11-point.
- Applications exceeding 20 pages (excluding <u>required</u> attachments) and pages larger than 11x17 or in color are strongly discouraged. We may require you to furnish up to 15 additional copies of such applications or pages at your own expense.
- Please read all questions and instructions carefully. The care that goes into accurately and informatively completing this application is evidence of your agency's ability to manage the complexities of CDBG and HOME program requirements.

Staff in the City's Community Development Division will be happy to answer questions about the CDBG and HOME programs, this form and the application process, but cannot assist in writing applications or offer comment on drafts. Tel. 259-5721; e-mail: bgriffith@ashevillenc.gov.

PRE-APPLICATION FORM

Construction

<u>All</u> applicants must submit a pre-application to Brenda Griffith – <u>bgriffith@ashevillenc.gov</u>

Please submit this form (one page) as early as possible,

and <u>no later</u> than Friday, December 30, 2005

Name of Applicant:	
Contact Person:	
Address:	
City/State/Zip:	
Telephone Number:	
Provisional Name of Project:	
Rental Rehabilitation Property Acquisition f Construction of public Construction or Rehab	ction for Rental pilitation (other than Emergency Repairs) For new housing construction e improvements or public facilities pilitation of commercial facilities
Likely amount of request (check one):	less than \$50,000 \$50,000-100,000
	more than \$100,000
Check <u>one</u> of the following statements:	
We have previously received CDBG or HC similar and do not need one-on-one techn application.	¥ 5
We have not previously received CDBG or one-on-one technical assistance before su	

CITY OF ASHEVILLE ASHEVILLE REGIONAL HOUSING CONSORTIUM

Application for Funding for a CONSTRUCTION PROJECT

APPL	SECTION I JCATION INFORM	MATION
Full Legal Name of Applicant:		
Applying as: Asheville	e CDBG Subrecipient	(CDBG only)
	e HOME Subrecipient	(HOME only)
	ember Government pient agency, if any:	(HOME only)
CHDO		(HOME only)
Address:		
City/State/Zip:		
Telephone Number:		
Contact Person:		
Title:		
Telephone Number: _	E-r	nail:
Name of Project:		
		_
To the best of my knowledge and bel document has been duly authorized b		
Signature		
Mayor/Chair of 1	Board	Date

CHECKLIST OF DOCUMENTATION INCLUDED WITH THIS APPLICATION:

(Place an \mathbf{x} in each box to show that you have included each item)

You m	ust provide an ORIGINAL plus FOUR COPIES of	of the following sections in	the order listed:
	Application Information Project Description (including leastion and site mer	na)	
	Project Description (including location and site map	08)	
	Program Budgets & Pro-forma		
	Agency Management		
_	Disclosure of Potential Conflicts of Interest		
Also, p	lease provide ONE of each of the following attach	ments, if available:	
	Current Organizational Chart		
	Current Bylaws and Articles of Incorporation	On file with City*	Attached
	IRS tax determination letter (501(C)(3)	On file with City*	Attached
	Most recent independent audit	On file with City*	Attached
	Auditor's "Management Letter"	On file with City*	Attached
	Most recent un-audited financial statement		
	Current Board of Directors		
	Americans with Disabilities Act (ADA) Policy	On file with City*	Attached
ricus	e check with CD staff before indicating that document SECTION PROJECT DES	ON II	
Project	t Title:		
Project	t Location:		
II.A	Type of Activity (check one)		
	New construction for Homeownership	New construction for re	ental
	Owner-Occupied Rehabilitation	Rental Rehabilitation	
	Acquisition/Rehab/Resale	Predevelopment Loan (HOME only)
	Public Facility or Improvement (CDBG or	nly)	
	Commercial Property Improvement (CDB	G only)	
	Other (specify):		

II.B. Short Description. One or two sentences stating the number and type of housing or other units expected to result from this project and the targeted client group. State both total number of units in project and number to be assisted with CDBG/HOME (e.g. "New construction of 5 one-bedroom apartments for rent to developmentally disabled adults; all units to be HOME-assisted")

II.C Project Description. Please attach a detailed narrative description of the project, addressing all

of the following questions. Please check each box below, to show that you have addressed the question, and insert information directly in blanks. Where the question is not applicable or no information is available, insert N/A. Site General location map showing development site in relation to streets and points of interest in the surrounding neighborhood (at least ½ mile radius). Waterways and railroads must be shown. Site map showing lot boundaries, street access, location of structure(s), and other site features Size of development site: acres Access to transportation, employment centers, shopping for basic needs, community services. Current site zoning and the status of any required planning reviews. Site control: If you already own the site or property, submit a copy of the deed and describe all existing liens or deeds of trust on the property. If the site is currently under an option agreement, submit a copy of the option and purchase agreement. **Property Acquisition** Has agency acquired real property in order to carry out the project, or is property acquisition planned? Has property owner been informed of your intention to use federal funds for this project? If so attach letter. Is the property currently occupied? If so, state the number of tenants and describe in detail how you will determine relocation needs and help occupants to relocate in accordance with Uniform Relocation Act.. Include the cost of this in your budget. If you have issued a General Information Notice to tenants informing them of their rights to relocation assistance, attach a copy. **Construction Detail** Floor plan and sketch of finished building(s). Annotate floor plan to show ADA features if present. Annotate sketch to emphasize design features that you consider particularly attractive and compatible with other buildings in the neighborhood.

How many units will be newly constructed: _____; rehabilitated: _____;

	Square footage of each unit:; Number of bedrooms/baths:
	Will project participate in an externally monitored energy efficiency program (e.g. Energy Star)?
	• Yes: (provide details). No:
	How many units will have full ADA accessibility:;
	 How many others will have at least the following accessibility features:: An at-grade or ramped entrance to the main floor or the capability to easily install a ramp later on; and All doorways and passageways on the main floor at least 32" wide; and A bathroom or half-bath on the main floor that will accommodate a wheelchair (show dimensions of unobstructed floor area on floor plan)
Lead-l	Based Paint (Rehab projects only) Describe in detail how you plan to address lead-based testing and abatement or hazard control on any property built before 1978.
Afford	ability, Marketing, & Supportive Services
	Proposed rents or sales prices for completed housing units. For rental units, estimate utility costs.
	Process for marketing to ensure an adequate pool of income-eligible renters or buyers
	Any steps planned to ensure long-term affordability of housing units, including subsidy recapture, equity sharing, buy-back options, etc.
	Any services coordinated with the project that will help ensure occupants' long-term housing success.
Infrast	tructure and Public Facilities (attach maps to illustrate information below)
	How many households will have direct access to improved infrastructure:
	How many vacant lots will be provided with water/sewer availability:
	now many vacant lots will be provided with water/sewer availability.

II.D. Project Team.

Identify the project team by <u>name</u>, <u>job title</u>, and <u>employment status</u> (employee, independent contractor, or volunteer), and describe each person's relevant experience and specific responsibilities in this project. If the team is not yet assembled, then describe how you will select them.

<u>For Rehab projects only</u>: List all project staff who have completed training in Lead Safe Work Practices (with date) or have any more extensive training in Lead Based Paint hazard control.

II.E Timetable.

Please complete a <u>detailed</u> and realistic timetable showing when each work task will be completed (e.g. planning, obtaining financing commitments, design, environmental review, bidding, loan closing, key milestones in construction, marketing, final inspection, occupancy, etc.). The larger the project, the more detail we expect to see. Your timetable must reflect an expectation of starting construction or expending a significant amount of funding before June 30, 2007, and of completing the project by December 2008 (June 2008 for owner-resident rehabilitation activities).

Work Tasks	Date to be Completed

II.F. Client Demographics. Please complete the following tables to the best of your ability. Show actual or estimated numbers of beneficiaries, **not percentages**, in each category. In general you should count **households** as the beneficiaries for housing programs and **persons** for non-housing programs. Current income limits are at page V of the instructions.

Income Group	Number
<30% of area median income (AMI)	
31-50% of AMI	
51-80% of AMI	
>80% of AMI*	
TOTAL	

^{*} Seek advice from City of Asheville staff if your project will benefit any people above 80% AMI.

Special Needs Beneficiaries (if applicable)

Category	Number
Elderly (over 60)	
Disabled (not elderly)	
Homeless	
People with HIV/AIDS	

CDBG Area Benefit Activities only (Infrastructure, Public Facilities)*

Street	Census Tract	Block Group	Total Persons	#LMI Persons

^{*}If assistance is needed, please call CD staff

SECTION III

PROJECT BUDGET AND FUNDING

III.A. Revenues

Show total revenues for the project, including funds already expended. If project financing structure will change when construction is completed, then you should complete the "Permanent" financing column, if not, then leave column blank. Attach funding commitment letters where available or copies of funding applications you have submitted.

Source	Committed?	Construction Period	Permanent (if different)
This Grant (or loan)	No	\$	\$
Prior year HOME*	Yes	\$	\$
Prior Year CDBG*	Yes	\$	
HOME program income	Yes	\$	\$
CDBG Program Income	Yes	\$	
Other grants (list):		\$	\$
		\$	\$
		\$	\$
		\$	\$
Support from the Public		\$	\$
Bank Loans etc.		\$	\$
Other sources (list):		\$	\$
		\$	\$
Total Revenues		\$	\$

^{*} HOME or CDBG funds received from the state should be treated as "other grants"

	st, along with the de	_		•		of your CDBG or HOME funding
CDB	G/HOME funding	is sought in th	e form of	a:	Grant	Loan (check one)
State	amounts and term	s for all loans	(if not kno	own, tell us	your working as	ssumptions)
	Source	Amount	Term (years)	Interest Rate	Amortizing Y/N	Any other requirements

III.C. Secondary Financing to Homebuyers (homeownership projects only)

Complete this table for homeownership development, where assistance is being provided to the homebuyer, either through the rollover of the project's CDBG or HOME construction funding or other sources.

Subsidy Source	Average Homeowner Subsidy Amount	Terms	Position
	\$		
	\$		
	\$		
	\$		

III.D. HOME Match (HOME funded projects only)

List the project revenues which will count as matching funds (<u>non-federal</u> funds that are permanently contributed to the project). Include any in-kind contributions of materials and labor, including sweat equity, at \$10 p.h. If in doubt whether funds will count as match, please call Sherman Fearing at (828) 259-5725.

Revenue Source	Amount
	\$
	\$
	\$

III.E. Program Income, CBDO and CHDO Proceeds

(This section is to be completed only by Buncombe & Madison Counties, HAC, Habitat, NHS, MHO, MMLF & WCCA.)

Program income, CBDO and CHDO proceeds are income directly generated by the use of CDBG, HOME, or other Federal funds. Examples include the repayment of CDBG or HOME loans that you have made, the net proceeds from the sale of homeowner units, or rent of assisted property. *If you have any questions, please contact CD staff.*

- 1. List the specific programs operated by your organization that generate CDBG or HOME program income or CBDO or CHDO proceeds:
- 2. How does your organization currently use program income/CHDO or CBDO proceeds?
- 3. Complete the following table for your organization's on-hand and projected CDBG and HOME program income. Remember to include program income from all of your CDBG or HOME programs.

	CDBG	CBDO	HOME	CHDO
	Program Income	Proceeds	Program Income	Proceeds
Balance at 12/31/05	\$	\$	\$	\$
Estimated receipts 1/1/06 – 6/30/06	\$	\$		
Proposed Program	Program / Amount	Program / Amount	Program / Amount	Program / Amount
Use & Amount				

III.F. Costs

Be as detailed as possible. Add or amend categories as needed. For all * items, please add details on how the costs have been estimated. The second column should cover total project costs (including those met from HOME or CDBG), the third column shows how much of each line item is to be met from HOME or CDBG. Totals must be consistent with the revenues shown in section IIIA.

Category (add/amend as needed)	All Costs	This grant/loan only
Construction Period		
Acquisition	\$	\$
Relocation*	\$	\$
Demolition/Clearance	\$	\$
Site improvements*	\$	\$
Rehabilitation*	\$	\$
New construction*	\$	\$
Construction contingency	\$	\$
Architect/Engineer fees	\$	\$
Construction loan fees	\$	\$
Construction interest*	\$	\$
Construction period taxes	\$	\$
Legal/Accounting	\$	\$
Other Prof. fees (Appraisal etc)	\$	\$
Agency project delivery costs (if no developer fee)	\$	\$
Other pre-construction or construction period costs:	\$	\$
	\$	\$
	\$	\$
Permanent		
Permanent loan fees	\$	\$
Developer fee	\$	\$
Reserves	\$	\$
Other	\$	\$
Total Development Costs	\$	\$

III.G. Pro Forma (Rental Property Only)

If you are developing property for rent (commercial or residential), attach a 20-year pro forma showing estimated income, expenses, net operating income, debt service, and net cash flow.

SECTION IV AGENCY DESCRIPTION

Please provide the following information for the agency that will actually carry out the project. **Member governments carrying out projects entirely with their own staff may omit this section.**

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IV.A.	Orga	n17	atınn
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1.	What is your organization mission statement?
2.	Incorporation date (Month and Year)?
3.	Estimated Total Agency Budget for FY 2005: \$
4.	Total number of agency staff (full time equivalents)
5.	Does your organization have any of the following written management policies:

Policy	Yes	No	Date Last Updated	On file with City?
Personnel policy				
Job descriptions				
Purchasing policy				
Code of conduct				
ADA policy*				
Indirect Cost				
Allocation Plan				

^{*} We ask that you <u>attach</u> a copy of your ADA policy (self evaluation), if it is not already on file with us. An ADA self evaluation goes beyond a simple statement of intention not to discriminate; it shows how you have reviewed your premises, programs, and personnel policies to ensure that no unnecessary barriers exist to program participation or employment for persons with disabilities. More details at: http://www.hud.gov/offices/cpd/lawsregs/notices/2000/00-10.pdf

IV.B. Agency Track Record

Please describe what makes your agency particularly qualified to carry out the program described in Section II. (This may include your past achievements in carrying out similar projects, experience of key staff, collaborative relationships with other agencies, or any other features relating to agency capacity that you consider relevant.)

IV.C. Board of Directors

- 1. How many board members should you have according to your by-laws?
- 2. How many do you actually have at this date?
- 3. How often does your board meet?

- 4. What was the actual attendance at each of the last three regular Board meetings?
- 5. Have you failed to reach a quorum at any Board meetings in the last 12 months?
- 6. What efforts do you make to ensure that your board represents the community it serves?

IV.D. Attachments

Please provide one copy of each of the following documents, unless they are already on file with the City:

- 1. An **organizational chart**. Highlight staff who will be responsible for this project.
- 2. By-Laws, Articles of Incorporation, and 501c(3) determination letter.
- 3. A copy of your most recent **audited financial statement**, <u>including the management letter</u> if one was issued.
- 4. If you have completed a financial year that has not yet been audited, please <u>also</u> attach the **unaudited financial statement** for that year.
- 5. A complete list of the members of your **Board of Directors**. Include addresses and phone numbers.
- 6. A copy of your ADA Policy.

SECTION V DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Are any of the Board Members or employees of the agency which will be carrying out this project, or members of their immediate families, or their business associates:

a) Employees of or closely related to employees of the City of Asheville *or the member government through which this application is made:	YES	NO
b) Members of or closely related to Members of Asheville City Council or the Council or Commission of the member government through		
which this application is made:	YES	NO
c) Current beneficiaries of the program for which funds are requested:	YES	NO
d) Paid providers of goods or services to the program or having other financial interest in the program:	YES	NO

If you have answered YES to any question, **please attach a full explanation**. The existence of a potential conflict of interest does not necessarily make the project ineligible for funding, but the existence of an **undisclosed** conflict may result in the termination of any grant awarded.

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